



NEWS RELEASE

Mount Logan Capital Inc. Enters into Corporate Credit Facility for up to US\$25,000,000

TORONTO, August 20, 2021 – Mount Logan Capital Inc. (NEO: MLC) (“Mount Logan,” “our,” “we,” or the “Company”) is pleased to announce that its wholly-owned subsidiary, MLC US Holdings LLC (“MLC US Holdings”) has entered into a credit agreement (the “Credit Agreement”), as borrower, with a large US-based asset manager, as administrative agent and collateral agent for the lenders (collectively, the “Lenders”) in respect of a term loan for an initial amount of up to US\$25,000,000 (the “Credit Facility”).

Pursuant to the Credit Agreement, MLC US Holdings is entitled to borrow up to US\$25,000,000, of which US\$16,500,000 was drawn down as of the closing date. The undrawn portion of the Credit Facility will expire on December 31, 2021, and the outstanding principal amount and accrued but unpaid interest in respect of the Credit Facility will become payable on August 20, 2027, subject to certain adjustments pursuant to the Credit Agreement.

The intended use of the initially drawn proceeds on the Credit Facility is to refinance the existing credit facility at MLCSC Holdings Finance LLC, to repay debt drawn in connection with funding the transaction with Capitala Investment Advisors LLC, pursuant to which Mount Logan Management LLC became the investment adviser of Capitala Finance Corp. (now Logan Ridge Finance Corp.), and to pay fees and expenses related to the Credit Facility. The remaining amount of the Credit Facility is expected to partially fund the Company’s proposed US\$10 million investment to support the growth of Ability Insurance Company (“Ability”) alongside the proposed acquisition of Ability in the fourth quarter of 2021.

Ted Goldthorpe, Chief Executive Officer and Chairman of Mount Logan, noted, “We are very pleased with the closing of this Credit Facility which represents Mount Logan’s first long-term corporate credit facility. We have a strong relationship with the Lenders who are aligned to support our future growth.”

As collateral security for its obligations under the Credit Agreement, MLC US Holdings has granted in favour of the Lenders a security interest in all of the assets of MLC US Holdings. In addition, the Company has guaranteed the obligations of MLC US Holdings under the Credit Agreement in favour of the Lenders.

About Mount Logan Capital Inc.

Mount Logan Capital Inc. is an alternative asset management company that is focused on investing in public and private debt securities in the North American market. The Company actively sources, evaluates, underwrites, manages, monitors and primarily invests in loans, debt securities, and other credit-oriented instruments that present attractive risk-adjusted returns and present low risk of principal impairment through the credit cycle.

Cautionary Statement Regarding Forward-Looking Statements

This press release contains forward-looking statements and information within the meaning of applicable securities legislation. Forward-looking statements can be identified by the expressions "seeks", "expects", "believes", "estimates", "will", "could", "intends", "target" and similar expressions. The forward-looking statements are not historical facts but reflect the current expectations of the Company regarding future results or events and are based on information currently available to them. Certain material factors and assumptions were applied in providing these forward-looking statements. The forward-looking statements discussed in this release include, but are not limited to, statements relating to MLC US Holdings’ borrowings pursuant to the Credit Agreement, MLC US Holdings’ planned use of proceeds of the Credit Facility, the refinancing of MLCSC Holdings Finance LLC’s credit facility, the proposed acquisition of Ability, and the Company’s business strategy, model, approach and future activities. All forward-looking statements in this press release are qualified by these cautionary statements. The Company believes that the expectations reflected in forward-looking statements are based upon reasonable assumptions; however, the Company can give no assurance that the actual results or developments will be realized by certain specified dates or at all. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including the matters discussed under "Risks Factors" in the most recently filed annual information form and management



discussion and analysis for the Company. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, a forward-looking statement speaks only as of the date on which such statement is made. The Company undertakes no obligation to publicly update any such statement or to reflect new information or the occurrence of future events or circumstances except as required by securities laws. These forward-looking statements are made as of the date of this press release.

This press release is not, and under no circumstances is it to be construed as, a prospectus or an advertisement and the communication of this release is not, and under no circumstances is it to be construed as, an offer to sell or an offer to purchase any securities in the Company or in any fund or other investment vehicle. This press release is not intended for U.S. persons. The Company's shares are not and will not be registered under the U.S. Securities Act of 1933, as amended, and the Company is not and will not be registered under the 1940 Act. U.S. persons are not permitted to purchase the Company's shares absent an applicable exemption from registration under each of these Acts. In addition, the number of investors in the United States, or which are U.S. persons or purchasing for the account or benefit of U.S. persons, will be limited to such number as is required to comply with an available exemption from the registration requirements of the 1940 Act.

For additional information, contact:

Jason Roos
Chief Financial Officer
Jason.Roos@mountlogancapital.ca

Mount Logan Capital Inc.
365 Bay Street, Suite 800
Toronto, ON M5H 2V1